

Amendments to Senate Bill No. 432  
3rd Reading Copy

Requested by Senator John Brueggeman

For the House Transportation Committee

Prepared by Andrew Geiger  
April 2, 2007 (2:38pm)

1. Title, line 4 through line 5.  
**Strike:** "PROVIDING" on line 4 through "REQUIREMENTS" on line 5  
**Insert:** "REQUIRING PRODUCERS OF BIODIESEL TO ATTAIN AND MAINTAIN  
CERTIFICATIONS; PROVIDING A TAX CREDIT FOR THE COST OF  
OBTAINING QUALITY CERTIFICATION"
2. Title, line 6 through line 7.  
**Strike:** "PROVIDING" on line 6 through "DATES" on line 7  
**Insert:** "AND AMENDING SECTION 82-15-103, MCA"
3. Page 1, line 11 through page 2, line 5.  
**Strike:** sections 1 through 3 in their entirety  
**Renumber:** subsequent sections
4. Page 2, line 8.  
**Following:** "department"  
**Insert:** "of transportation"
5. Page 2, line 9.  
**Strike:** "through 6"  
**Insert:** "and 2"
6. Page 2, line 12.  
**Following:** ";"  
**Insert:** "and"
7. Page 2, line 13 through line 26.  
**Strike:** "; and" on line 13 through "[section 5]" on line 26
8. Page 2.  
**Following:** line 26  
**Insert:** "(2) As used in [section 2] and this section, "biodiesel"  
has the meaning provided in 15-70-301."
9. Page 2, line 28 through page 3, line 13.  
**Strike:** section 5 in its entirety  
**Renumber:** subsequent subsections
10. Page 3.  
**Following:** line 17

**Insert: "NEW SECTION. Section 3. Tax credit for cost of receiving biodeisel quality certification.** (1) An individual or a corporation, small business corporation, as defined in 15-30-1101, partnership, or limited liability company, as defined in 35-8-102, doing business in the state may receive a credit against taxes imposed by Title 15, chapter 30 or 31, for any costs incurred in obtaining the BQ-9000 biodiesel accreditation as required in 82-15-103.

(2) The amount of the credit is equal to 100% of the cost of the accreditation process.

(3) The credit is nonrefundable and may not exceed the amount of the individual's tax liability. The credit may not be carried forward or carried back.

(4) The credit allowed under this section may not exceed the tax liability under Title 15, chapter 30 or 31. A credit may not be refunded if a taxpayer has a liability less than the amount of the credit.

(5) The credit allowed under this section may be used as a carryforward against taxes imposed by Title 15, chapter 30 or 31, for the 7 succeeding tax years. The entire amount of the credit not used in the year earned must be carried first to the earliest tax year in which the credit may be applied and then to each succeeding tax year.

(6) If the credit is claimed by a small business corporation, a partnership, a limited liability partnership, or a limited liability company, the credit must be attributed to the individual shareholders, partners, members, or managers in the same proportion used to report income or loss for state tax purposes."

11. Page 3.

**Following:** line 17

**Insert: "NEW SECTION. Section 4. Tax credit for cost of receiving biodiesel quality certification.** There is a credit against the taxes otherwise due in this chapter for the cost of obtaining BQ-9000 biodiesel accreditation as provided in [section 3]."

12. Page 3.

**Following:** line 17

**Insert: "Section 5. Section 82-15-103, MCA, is amended to read:**

**"82-15-103. Standards and specifications for petroleum products.** (1) The standards and specifications for petroleum products, including but not limited to gasoline, ethanol-blended gasoline, fuel oils, diesel fuel, biodiesel, biodiesel blends, kerosene, and liquefied petroleum gases, must be determined by the department and, subject to the provisions of 82-15-121(1), must be based upon nationally recognized standards and specifications such as the standards and specifications that are published by the American society for testing and materials. The

standards and specifications adopted by rule by the department are the standards and specifications for products sold in this state, and official tests of the products must be based upon the adopted standards and specifications.

(2) For the purpose of ensuring the quality of all biodiesel produced in Montana, all producers of biodiesel shall attain and maintain a production facility certification based upon a nationally recognized process such as the biodiesel accreditation program or BQ-9000.

(3) As used in this section, the following definitions apply:

(a) "Biodiesel" has the meaning provided in 15-70-301.

(b) "Biodiesel blend" has the meaning provided in 15-70-301.

(c) "Producer" means the facility where B-100 biodiesel is manufactured by crushing oilseed and conducting other necessary processes resulting in B-100."

*{ Internal References to 82-15-103:*

*30-12-409x 82-15-121x} "*

13. Page 3, line 19.

**Following:** "instruction."

**Insert:** "(1)"

**Strike:** "through 6"

**Insert:** "and 2"

14. Page 3, line 20 through line 21.

**Strike:** "through 6"

**Insert:** "and 2"

15. Page 3.

**Following:** line 21

**Insert:** "(2) [Section 3] is intended to be codified as an integral part of Title 15, chapter 31, part 1, and the provisions of Title 15, chapter 31, part 1, apply to [section 3].

(3) [Section 4] is intended to be codified as an integral part of Title 15, chapter 30, part 1, and the provisions of Title 15, chapter 30, part 1, apply to [section 4]."

16. Page 3, line 23 through page 4, line 1.

**Strike:** section 8 in its entirety

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